

Message Text

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PAGE 01 BRASIL 00071 051420Z

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 AGRE-00 INT-05 FEAE-00 /096 W

-----051424Z 079242 /46

R 051110Z JAN 77

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC 9430

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

UNCLAS BRASILIA 0071

E.O. 11652: N/A

TAGS: ECON, BR

SUBJECT: BRAZILIAN ECONOMIC INDICATORS--SOME PRELIMINARY

INDICATORS OF 1976 PERFORMANCE

REF: 76 BRASILIA 10242

1. SUMMARY. BRAZILIAN GDP MAY HAVE INCREASED IN 1976 BY EIGHT PERCENT, RAISING GDP TO ABOUT US\$108 BILLION, AND GDP PER CAPITA TO 982 DOLLARS (1975 DOLLARS). END SUMMARY.

2. FINANCE MINISTER SIMONSEN AND OTHER SOURCE HAVE ANNOUNCED PRELIMINARY ESTIMATES FOR THE PERFORMANCE OF SOME ECONOMIC AGGREGATES IN 1976:

ECONOMIC AGGREGATE	1975	1976(EST.)
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--PRODUCTION ESTIMATES--

(A) GDP (SOURCE: (SEE BELOW) 1;

PERCENTAGE INCREASE)	4.0	8.0
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(B) INDUS. PROD. (1; PERCENTATE INCREASE

IN VALUE)	4.2	10.5
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(C) AGRIC. PROD. (1; PERCENTAGE INCREASE

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BRASIL 00071 051420Z

IN VALUE)	3.4	4.0
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(D) MINERALS PROD. (2; PERCENTAGE IN-

CREASE IN VALUE)	N.A.	27.0
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--EXTERNAL SECTOR--

(E) TRADE ACCOUNT (2; MILLION OF

DOLLARS)	-3,492	-2,300
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(F) EXPORTS (1; MILLIONS OF DOLLARS) 8,669 10,000

(G) IMPORTS (1; MILLIONS OF DOLLARS) 12,168 12,300
 (H) CURRENT ACCOUNT (1; MILLIONS OF DOLLARS) -6,711 -6,000
 (I) FOREIGN EXCHANGE
 RESERVES (3; MILLIONS OF DOLLARS) 4,000 5,970(12/27/76)
 (J) GROSS PUBLIC AND PRIVATE DEBT
 (1; MILLIONS OF DOLLARS) 21,171 27,000
 --PRICES--
 (K) GENERAL PRICE INDEX FOR INTERNAL
 SUPPLY (1; PERCENTAGE INCREASE) 29.4 46.0
 (1) COST OF LIVING IN RIO DE JANEIRO 31.2 44.5

SOURCES

(1) FINANCE MINISTER SIMONSEN, QUOTED IN JORNAL DO BRASIL, JAN. 2, 1977. (2) NATIONAL DEPARTMENT OF MINERAL PRODUCTION (DNPM), CITED IN JORNAL DE BRASILIA, JAN. 1-2, 1977.

3. ACCORDING TO OTHER NEWS REPORTS:

--THE STATE OF SAO PAULO, ACCORDING TO THE SAO PAULO STATE SECRETARY OF FINANCE, EXPERIENCED A GDP INCREASE OF 7.4 PERCENT. ESTIMATES OF SECTORAL RATES WERE; PRIMARY, 2.7; TERTIARY, 6.5 MANUFACTURING, 12.1; CIVIL CONSTRUCTION, 7.5; AND INDUSTRIAL SERVICES 14.5.
 --THE BANK OF THE NORTHEAST ESTIMATED THAT GDP GROWTH IN THE POOR NORTHEAST WAS 6.0 PERCENT IN 1976, VERSUS 7.4 PERCENT IN 1975. INDUSTRY LED THE GROWTH, AS INDICATED BY THE INCREASES IN ELECTRICAL ENERGY PRODUCTION (16.6 PERCENT) AND CIVIL CONSTRUCTION (33 PERCENT).
 --MINERAL PRODUCTION INCREASES IN VOLUME, ACCORDING TO DNPM, UNCLASSIFIED

UNCLASSIFIED

PAGE 03 BRASIL 00071 051420Z

WERE; IRON ORE, 6.9 PERCENT; LIMESTONE/DOLOMITE, 12.8; INDUSTRIAL CLAY, 17.8; KAOLIN, 8.8; AND ZINC ORE, 9.7.
 --THE PRESIDENT OF ABINEE, THE BRAZILIAN ELECTRO-ELECTRICAL INDUSTRY ASSOCIATION, ESTIMATED HIS INDUSRY'S GROWTH AT 20 PERCENT. ESTIMATES FOR CERTAIN CATEGORIES ARE: ELECTRIC MOTORS, 25 PERCENT; PORTABLE ELECTRICAL APPLIANCES, 27; AND HOME ELECTRICAL EQUIPMENT, 17.
 --PRELIMINARY STUDIES BY THE BRAZILIAN MACHINERY AND EQUIPMENT INDUSTRY ASSOCIATION (ABIMAQ) AND THE BRAZILIAN ASSOCIATION FOR THE DEVELOPMENT OF BASIC INDUSTRY (ABDIB) SHOWED THAT PRODUCTION OF MACHINERY AND EQUIPMENT INCREASED BY 17 PERCENT, AND OF CAPITAL GOODS, BY 18 PERCENT.
 --THE DIRECTOR OF THE NATIONAL ASSOCIATION OF FABRICATORS OF PAPER AND CELLULOSE SAID OUTPUT IN HIS INDUSTRY CLIMBED BY 7-7.5 PERCENT IN 1976.
 --STEEL PRODUCTION IN 1976 WAS UP BY 14.5 PERCENT.
 --BASED ON DATA ON THE CONSUMPTION OF ELECTRICITY, THE RATE OF INCREASE IN THE FOOD PROCESSING INDUSTRY WAS 8.0 PERCENT, ACCORDING TO THE PRESIDENT OF THE BRAZILIAN

ASSOCIATION OF FOOD INDUSTRIES (ABIA).

--THE COMMERCIAL DIRECTOR OF VASP AIRLINES SAID DOMESTIC
AIR TRANSPORT INCREASED BY 20 PERCENT IN 1976.

--ACCORDING TO PRELIMINARY PETROBRAS STATISTICS, BRAZIL
IMPORTED 300,832 MILLION BARRELS OF PETROLEUM AND NAPHTHA
IN 1976, AT A COST OF 3,466 MILLION DOLLARS FOB (OR
ABOUT 3,800 MILLION DOLLARS CIF). SUBTRACTING
EXPORTS OF PETROLEUM PRODUCTS, NET IMPORTS WERE 3,208
MILLION DOLLARS FOB (OR ABOUT 3,530 MILLION DOLLARS CIF)

--ACCORDING TO MINES AND ENERGY MINISTER UEKI, INSTALLED
ELECTRICITY GENERATING CAPACITY INCREASED BY 11.4 PERCENT
(2,233 MEGAWATTS) IN 1976 TO REACH 21,796 MEGAWATTS.

--PRODUCTION OF IRON, STEEL, AND NON-FERROUS
FOUNDRY PRODUCTS INCREASED BY 6.5 PERCENT IN 1976, FROM
1,312,403 TONS IN 1975 TO 1,397,282 TONS IN 1976,
ACCORDING TO THE BRAZILIAN ASSOCIATION OF FOUNDRIES.

CRIMMINS

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PAGE 04 BRASIL 00071 051420Z

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Disposition Approved on Date:
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